

TITLE XIX OF THE SOCIAL SECURITY ACT  
MEDICAL ASSISTANCE PROGRAM

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State of Colorado

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES - OTHER TYPES OF CARE

10. Laboratory and X-Ray Services

- A. Reimbursement for anatomical laboratory and x-ray services shall be the lower of the following:
  - 1. Submitted charges.
  - 2. Fee schedule as determined by the Colorado Department of Social Services.
- B. Reimbursement for clinical laboratory services shall be the lower of the following:
  - 1. Submitted charges.
  - 2. Fee schedule as determined by Medicare at the 60th percentile.
- C. Reimbursement for routine laboratory services billed by free-standing dialysis center are included as part of the dialysis service reimbursement. Non-routine laboratory services are reimbursed under 10B above.
- D. Hospital outpatient, clinical laboratory services are reimbursed in accordance with 10B.

TN 89-15

Supercedes  
TN 84-12

Approval  
Date 8/16/89

Effective  
Date 4/1/89

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State of Colorado

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES -- OTHER TYPES OF CARE

11. Prosthetic Pricing

Fee schedule related to Medicare fee schedule for prosthetics:

For those which have no Medicare pricing available, reimburse  
documented acquisition cost + 20% + documented tax and shipping.

TN No. 96-003  
Supersedes  
TN No. New

Approval Date 08/19/96

Effective Date 1-1-96

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State of Colorado

OBS BY  
92-028  
EFF 7/1/92

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES - OTHER TYPES OF CARE

11. Medicare/Medicaid Services - Reimbursement for physician, laboratory, X-Ray, transportation, and supply services for providers participating in the Medicare and Medicaid Program will be co-insurance and deductible levels up to the Medicare maximum allowable reimbursement limit.
12. Rehabilitative Services - Reimbursement for covered services shall be made on the basis of prospective rates set for each participating community mental health center or clinic. Prospective rates shall be determined annually by the Colorado Department of Social Services on the basis of audited unit cost work sheets submitted by the centers to the Division of Mental Health of the Colorado Department of Institutions, in compliance with appropriate federal regulations. (42 CFR 447.321).

TN No. 91-01  
Supersedes  
TN No. 83-21

Approval Date 12/28/90 Effective Date 1/1/91

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METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES - OTHER TYPES OF CARE

12. Reimbursement for Hospice Services - Payment for hospice services to Colorado-licensed hospice providers who meet Medicare Conditions for participation and who contract to provide the Medicaid Hospice Benefit. The Medicare Hospice model for care-levels, benefit periods, and certification is being adapted without change.

The care-levels are designated as:

- a) Routine Home care,
- b) Continuous care,
- c) General Inpatient care,
- d) Inpatient Respite care.

The benefit periods are designated as:

- a) Period One (90 days),
- b) Period Two (90 days),
- c) Period Three (30 days),
- d) Period Four (unlimited,  
subject to re-certification of terminal illness every sixty days).

Reimbursement follows the method prescribed in sections 4306.3 and 4306.4 of the State Medicaid Manual and 42 CFR 418.302 (Subpart E). Payment amounts are specified in 42 CFR 418.306.

- a) Rates equal those published by HCFA for hospice reimbursement.
- b) Each per-diem rate is subject to a wage index multiplier, to compensate for regional differences in wage costs, plus a fixed non-wage component.
- c) The wage indices are published in Addenda A and B of the State Medicaid Manual for Hospice.
- d) Continuous care is reimbursed at the applicable hourly rate (the per-diem rate divided by 24 hours) times the number of hourly units billed (from 8 up to 24 hours per day of care).
- e) Rates are adjusted as published by HCFA.

Nursing home room and board payments are paid for Medicaid recipients electing the Medicaid or the Medicare Hospice benefit while they reside in the nursing home facility. Payment is made to the hospice provider for each home-care day at a rate equal to 95% of the nursing home facilities' per-diem rate less any PETI payment amounts.

Physician services for Medicaid hospice patients are reimbursed according to usual and customary Medicaid physician reimbursement policies and are not to be paid to the hospice.

The aggregate cost cap limit per provider and the 20 percent limitation on aggregate inpatient days per provider are implemented as defined in the State Medicaid Manual for hospice services.

TN No. 91-07  
Supersedes  
TN No. New  
N-10

Approval Date: 4/5/91      Effective Date 3/31/91

**TITLE XIX OF THE SOCIAL SECURITY ACT  
MEDICAL ASSISTANCE PROGRAM**

State/Territory: State of Colorado

Item #19      **Methods for Establishing Prospective Payment Rates  
for Targeted Case Management Services**

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A prospective negotiated reimbursement methodology is used to establish payment rates for targeted case management services. The negotiated rates, based upon prior periods (annual) audited cost and budget projections, are specified in contracts between each provider and the State.

TN No. 89-9  
Supersedes  
TN No. New

Approval Date 4/18/89

Effective Date 7/1/89

HCFA ID: 1040P/0016P

19 - Targeted Case Management

## Reimbursement Methodology for School-Based Targeted Case Management Services

## Overall Methods and Standards

Reimbursement rates shall be on a fee for service basis. The Department will pay average statewide rates that are developed according to Department formula. Rates are based on the costs of providing targeted case management services by participating providers. Time studies and/or audits will be performed periodically to ensure that encounter rates do not exceed costs incurred.

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TN No. 95003  
Supercedes  
TN No. NEW

Approved 02/13/98

Effective 07/01/97

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

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State of Colorado

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES -  
OTHER TYPES OF CARE

20. Extended services for pregnant women

Reimbursement for covered services shall be the lower of either submitted charges or a fee schedule as determined by the Colorado Department of Health Care Policy and Financing in conjunction with the Colorado Department of Public Health and Environment.

TN No. 96-004 Approval Date 05/14/96 Effective Date 1-1-96  
Supersedes  
TN No. New